



Accounts at a Glance

2016-17



Government of Gujarat

Accounts at a Glance

2016-17

Government of Gujarat

Preface

The Annual accounts of the State Government are prepared in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual accounts consist of Finance Accounts and Appropriation Accounts.

Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

'Accounts at a Glance' provides a broad overview of Government activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. While it has been our endeavor to rely on the figures in the certified Finance Accounts and Appropriation Accounts, the certified Annual Accounts should be referred to for authentic figures.

We look forward to suggestions that would help us in improving the publication.



(Ram Hit)
Accountant General (A&E)
Gujarat

Place: - Rajkot

Date : 05/01/2018

Table of Contents

Chapter I	An Overview of accounts		Page
	1.1	Introduction	1
	1.2	Structure of Accounts	1
	1.3	Finance Accounts and Appropriation Accounts	1
	1.4	Sources and Application of funds	3
	1.5	Highlights of Accounts	6
	1.6	What do the Deficits and Surpluses indicate?	7
Chapter II	Receipts		
	2.1	Introduction	10
	2.2	Revenue Receipts	10
	2.3	Trend of Receipts	12
	2.4	Performance of State 's own tax revenue collection	14
	2.5	Efficiency of Tax Collection	14
	2.6	Trend in State's Share of Union Taxes over the past five years	15
	2.7	Grants-in-aid	15
	2.8	Public Debt	16
Chapter III	Expenditure		
	3.1	Introduction	17
	3.2	Revenue Expenditure	17
	3.3	Capital Expenditure	19
Chapter IV	Plan & Non-Plan Expenditure		
	4.1	Distribution of Expenditure	21
	4.2	Plan Expenditure	21
	4.3	Non-Plan Expenditure	22
	4.4	Committed Expenditure	23
Chapter V	Appropriation Accounts		
	5.1	Summary of Appropriation Accounts	24
	5.2	Trend of Savings/Excess during the past five years	24
	5.3	Significant Savings	25
Chapter VI	Assets & Liabilities		
	6.1	Assets	27
	6.2	Debts & Liabilities	27
	6.3	Guarantees	28
Chapter VII	Other Items		
	7.1	Loans and advances by the State Government	29
	7.2	Financial Assistance to Local Bodies and Others	29
	7.3	Cash Balance and Investment of Cash Balance	29
	7.4	Reconciliation of Accounts	30
	7.5	Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills	30
	7.6	Utilization Certificate in respect of Grants-in-aid given by the Government	30
	7.7	Commitments of accounts of Incomplete works	30
	7.8	Rush of expenditure	30

CHAPTER - I

AN OVERVIEW OF THE ACCOUNTS

1.1 Introduction

The Annual Accounts of the Government of Gujarat namely Finance Accounts and Appropriation Accounts are prepared by the Accountant General (A&E) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts

Part-1	CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Accounts, Public Debt and Loans and Advances
Part-2	CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund
Part-3	PUBLIC ACCOUNT	Comprises of Debt, Deposits, Advances, Suspense and Remittances transactions. Debt and Deposit represent repayable liabilities of the Government. Advances are receivables of the Government. Remittance and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Account is prepared in two volumes.

Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements, cash balance position and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and Volume II contains detailed statements and appendices.

Receipts and disbursements of the Government of Gujarat as depicted in the Finance Accounts 2016-17 are given below:

(₹ in crore)

Receipts (Total: 1,26,728)	Revenue (Total : 1,09,842)	Tax Revenue	83,278
		(a) Own Tax Revenue	64,443
		(b) Share of net proceeds of Taxes	18,835
		Non Tax Revenue	13,346
		Grants-in-aid	13,218
	Capital (Total : 16,886)	Recovery of Loans and Advances	166
		Other Receipts	240
Borrowings and other liabilities (*)		16,480	
Disbursements (Total : 1,26,728)	Revenue		1,03,895
	Capital		22,355
	Loans and Advances		478

(*) *Borrowings and other liabilities: Net (Receipts – Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance.*

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year the Government of India directly released ₹ 3,393 crore. Since these funds are not routed through the State Budget they are not reflected in the accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund or 'Voted' by the State Legislature. There are 02 Charged Appropriations and 76 Voted Grants and 30 combined (Charged and Voted) provisions.

The Appropriation Acts, 2016-17 had provided for gross expenditure of ₹ 1,60,351 crore and reduction of expenditure (recoveries) of ₹ 1,630 crore. Against this, the actual gross expenditure was ₹ 1,36,765 crore and reduction of expenditure was ₹ 964 crore, resulting in net savings of ₹ 23,586 crore (15 *per cent*) and over-estimation of ₹ 666 crore (41 *per cent*) on reduction of expenditure.

1.4 Sources and Application of Funds:

1.4.1 Ways and Means Advances

The State Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India and thereafter, draws upon overdraft, whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain a minimum cash balance of ₹ 2.80 crore with the Reserve Bank of India. Government of Gujarat did not avail of Ways and Means Advances in the year 2016-17.

1.4.2 Fund flow statement

The State had a Revenue Surplus of ₹ 5,947 crore and a Fiscal Deficit of ₹ 16,480 crore representing 0.53 *per cent* and 1.46 *per cent* of the Gross State Domestic Product (G.S.D.P) respectively. The Fiscal Deficit constituted 13 *per cent* of the total expenditure. This deficit was mainly met from net of Public Debt (₹ 18,595 crore). Around 34 *per cent* of the revenue receipts (₹ 1,09,842 crore) of the State Government was spent on committed expenditure like salaries (₹ 8,510 crore), interest payments (₹ 17,797 crore) and pensions (₹ 11,303 crore).

Sources and Application of Funds

(₹ in crore)

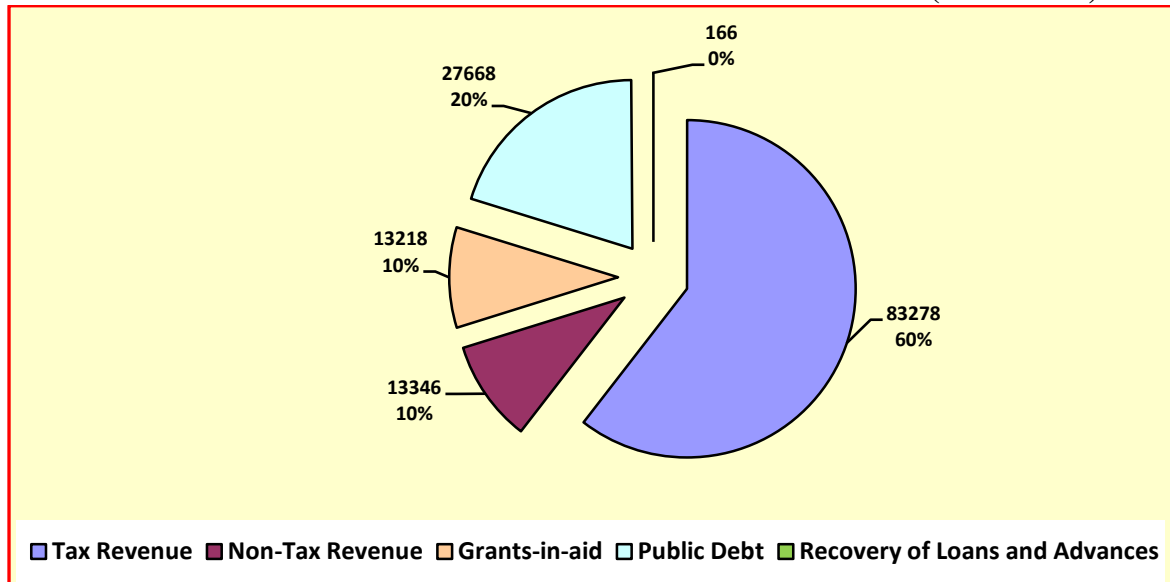
SOURCES	<i>PARTICULARS</i>	<i>AMOUNT</i>
		Opening Cash Balance as on 01.04.2016
	Revenue Receipts (including Misc Capital Receipts)	1,10,082
	Recovery of Loans and advances	166
	Public Debt	27,668
	Small Savings, Provident fund and others	2,280
	Reserves and Sinking Funds	1,713
	Deposits received	40,562
	Civil Advances repaid	08
	Suspense Account	2,16,842
	Remittances	15,771
	Contingency Fund	04
	TOTAL	4,14,502

(₹ in crore)

APPLICATION	Revenue Expenditure	1,03,895
	Capital Expenditure	22,355
	Loans given	478
	Repayment of Public debt	9,073
	Small Savings, Provident Fund and Others	1,747
	Reserves & Sinking fund	1,056
	Deposits repaid	38,292
	Civil Advances Paid	08
	Suspense Account	2,22,226
	Remittances	15,839
	Contingency Fund	-
	Closing Cash Balance as on 31.03.2017	(-) 467
	TOTAL	4,14,502

1.4.3 Where the Rupee came from?

(₹ in crore)



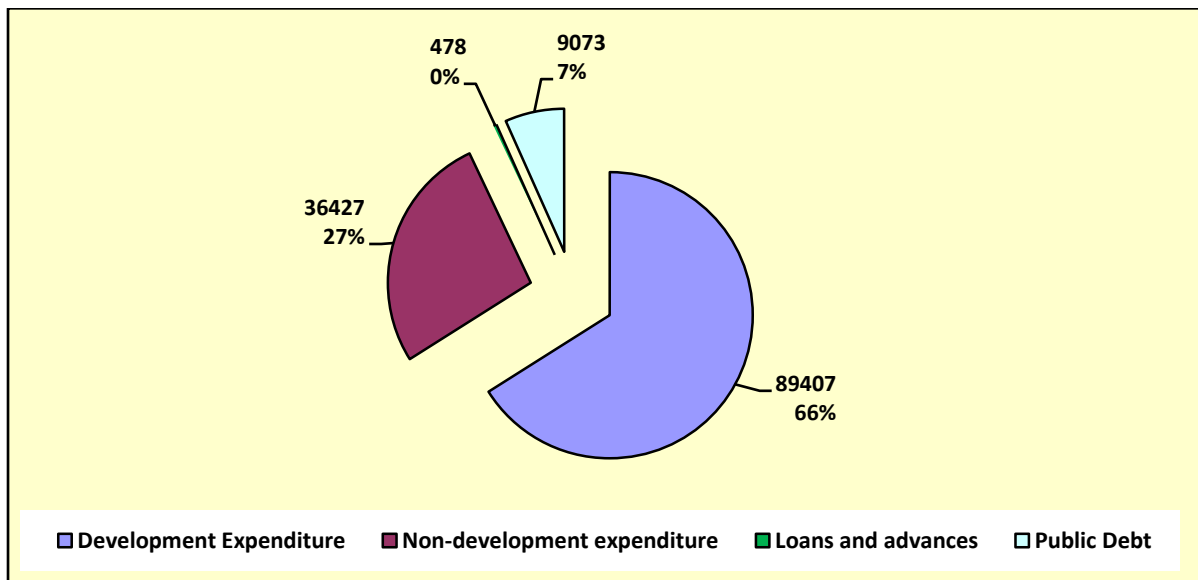
Note: Recovery of Loans and Advances is ₹ 166 crore which is 0.12 per cent.

The main sources of funds to meet expenditure were tax revenue, public debt, non-tax revenue and Grants-in-aid.

Where the Rupee went?

Expenditure for the year 2016-17 was spent on Development Expenditure (66 per cent), Non-Development Expenditure (27 per cent), Loans and Advances (0.50 per cent) and Repayment of Public Debt (7 per cent). Based on the purpose of expenditure it was classified into Social Services and Economic Services (Development expenditure) and General Services (Non-development expenditure).

(₹ in crore)



Note: The actual of Loans and Advances is 0.50 per cent.

1.5 Highlights of Accounts

	B.E. 2016-17	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP @
	(₹ in crore)			
1. Tax Revenue (Including Central Share)	89,890	83,278	93	7
2. Non-Tax Revenue	12,428	13,346	107	1
3. Grants-in-aid & Contributions	14,048	13,218	94	1
4. Revenue Receipt (1+2+3)	1,16,366	1,09,842	94	10
5. Recovery of Loans & Advances	24	166	692	0
6. Other Receipts	10	240	00	0
7. Borrowings & Other Liabilities (A)	24,854	16,480	66	1
8. Capital Receipts (5+6+7)	24,888	16,886	68	2
9. Total Receipts (4+8)	1,41,254	1,26,728	90	11
10. Non-Plan Expenditure (*)	74,447	67,301(#)	90	6
11. NPE on Revenue Account	74,303	67,185 (#)	90	6
12. NPE on Interest Payments out of 11	17,916	17,797	99	2
13. NPE on Capital Account	144	116(#)	80	0
14. Plan Expenditure (*)	70,899	59,427(#)	84	5
15. PE on Revenue Account	42,190	36,709(#)	87	3
16. PE on Capital Account	28,708	22,717(#)	79	2
17. Total Expenditure (10+14)	1,45,346	1,26,728	87	11
18. Revenue Expenditure (11+15)	1,16,493	1,03,895	89	9
19. Capital Expenditure (13+16)(**)	28,852	22,833	79	2
20. Revenue Surplus(4-18)	(-) 127	5947	542	1
21. Fiscal Deficit (4+5+6-17)	(-) 28,946	(-) 16,480	59	1

@ GSDP 2016-17 is ₹11,25,654 crore (Advance).

(*) Expenditure includes ₹63 crore under Non-Plan and ₹415 crore under Plan which pertains to Loans and Advances.

(**) Expenditure on Capital Account includes Capital Expenditure (₹22,355 crore) and Loans and Advances disbursed (₹478 crore).

(A) Borrowing and Other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance).

(#) Includes Central Plan / Centrally Sponsored Scheme expenditure of Non-Plan. Please see Chapter IV.

1.6 What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit\ Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit\ Surplus	Refers to the gap between Total Receipt (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.
Primary Deficit\ Surplus	It indicates the gap in availability of funds for expenditure even without taking into consideration liabilities of past years viz. interest accrued. Primary surplus indicates that funds generated in the current year, were available to service past debts.

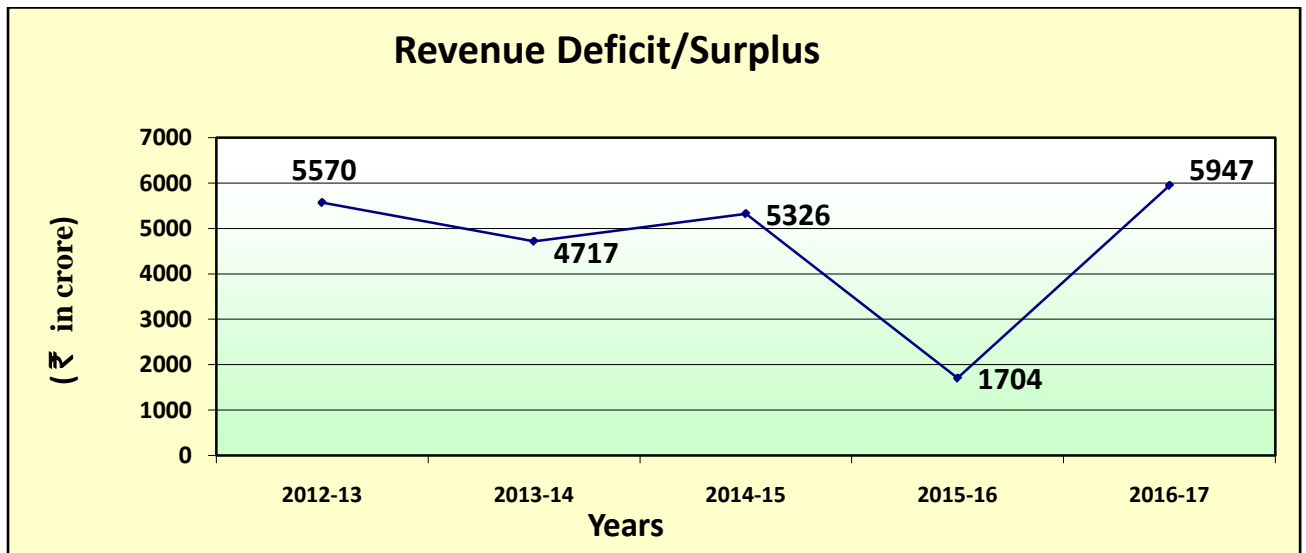
With a view to maintain a stable and sustainable fiscal environment consistent with equitable growth, the 13th Finance Commission has recommended a fiscal consolidation roadmap for each State. The Fiscal Consolidation roadmap for Gujarat requires the State to reduce the revenue deficit to zero by FY 2011-12, reduce fiscal deficit to not more than 3 per cent of the estimated GSDP of the year beginning F.Y 2011-12, to cap the total public debt of the State Government to 18.55 *per cent* of estimated GSDP by the end of FY 2016-17 and to cap the outstanding guarantees within the limit (₹ 20,000 crore) provided in the Gujarat State Guarantees Act, 1963.

The fiscal deficit decreased from ₹ 23,015 crore in 2015-16 to ₹ 16,480 crore in 2016-17. Also the primary deficit of the year 2015-16 of ₹ 6715 crore has turned into a primary surplus of ₹ 1317 crore in 2016-17. Revenue Surplus increased from ₹ 1,704 crore in 2015-16 to ₹ 5,947 crore in 2016-17.

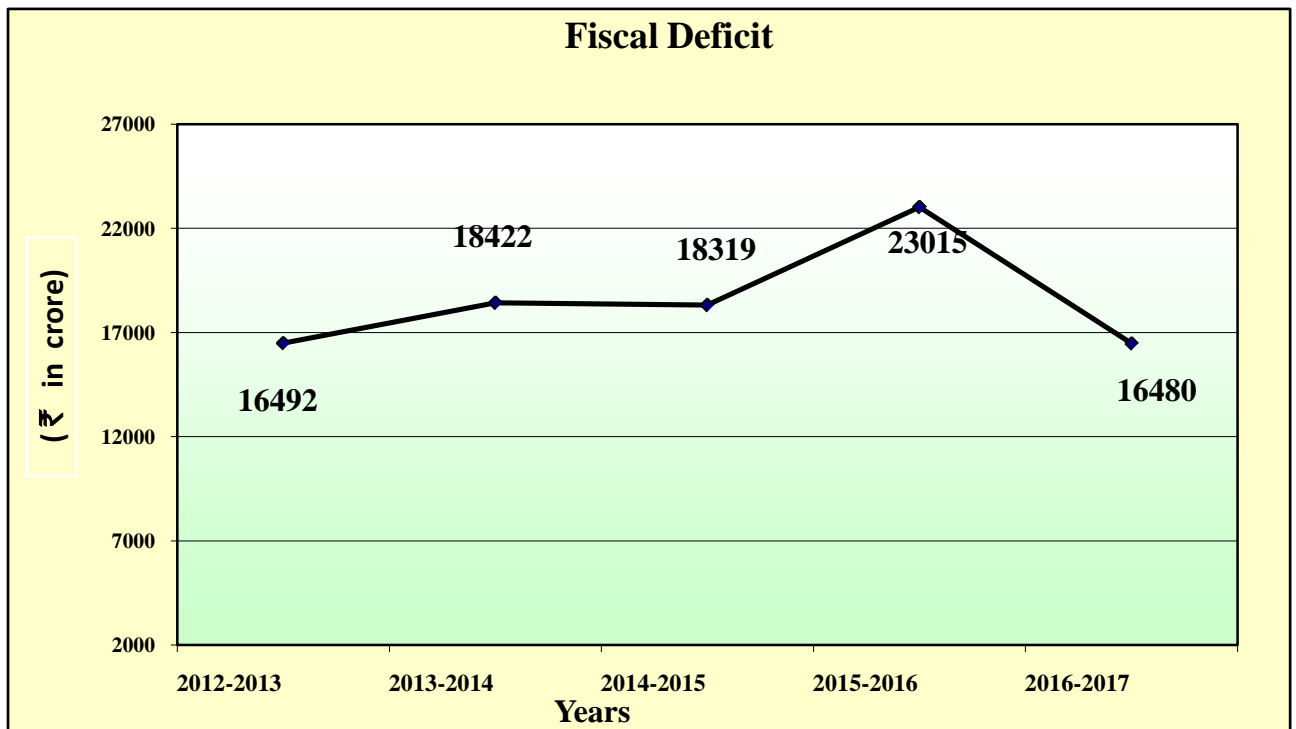
1.6.1 Trend of Revenue Deficit / Surplus

(₹ in crore)

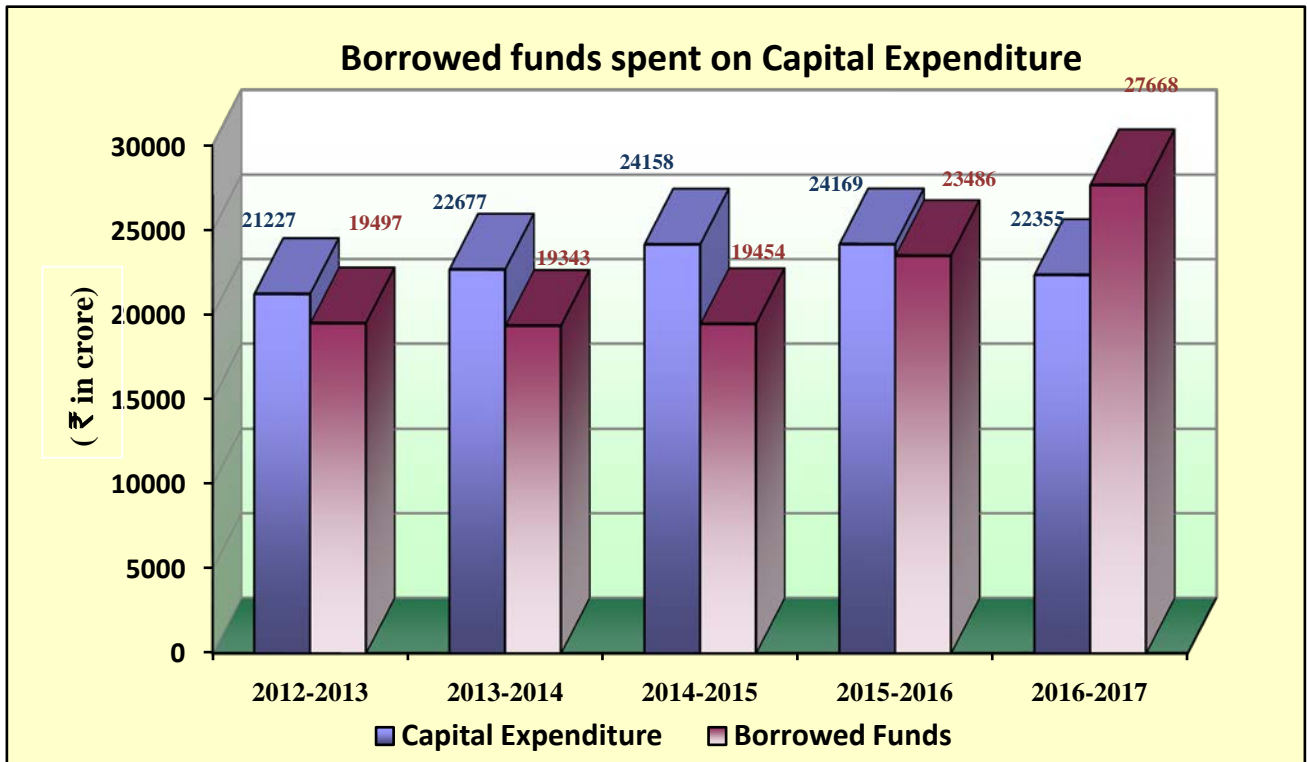
Year	Revenue Surplus(+) Deficit(-)	Fiscal Deficit (-)	Primary surplus (+) Primary Deficit (-)
2012-13	(+) 5,570	(-) 16,492	(-) 4,331
2013-14	(+) 4,717	(-) 18,422	(-) 5,090
2014-15	(+) 5,326	(-) 18,319	(-) 3,373
2015-16	(+) 1,704	(-) 23,015	(-) 6,715
2016-17	(+) 5,947	(-) 16,480	(+) 1,317



1.6.2 Trend of Fiscal Deficit



1.6.3 Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, has not spent full amount of the borrowings of the current year (₹ 27,668 crore) on capital expenditure (₹ 22,833 crore) inclusive of disbursement of Loans and Advances (₹ 478 crore).

CHAPTER – II

RECEIPTS

2.1 Introduction

Based on its source, receipts of Government are classified into Revenue Receipts and Capital Receipts.

2.2 Revenue Receipt

Revenue Receipt consists of (A) Tax Revenue, (B) Non- Tax Revenue and (C) Grants-in-aid and Contributions.

Tax Revenue: Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.

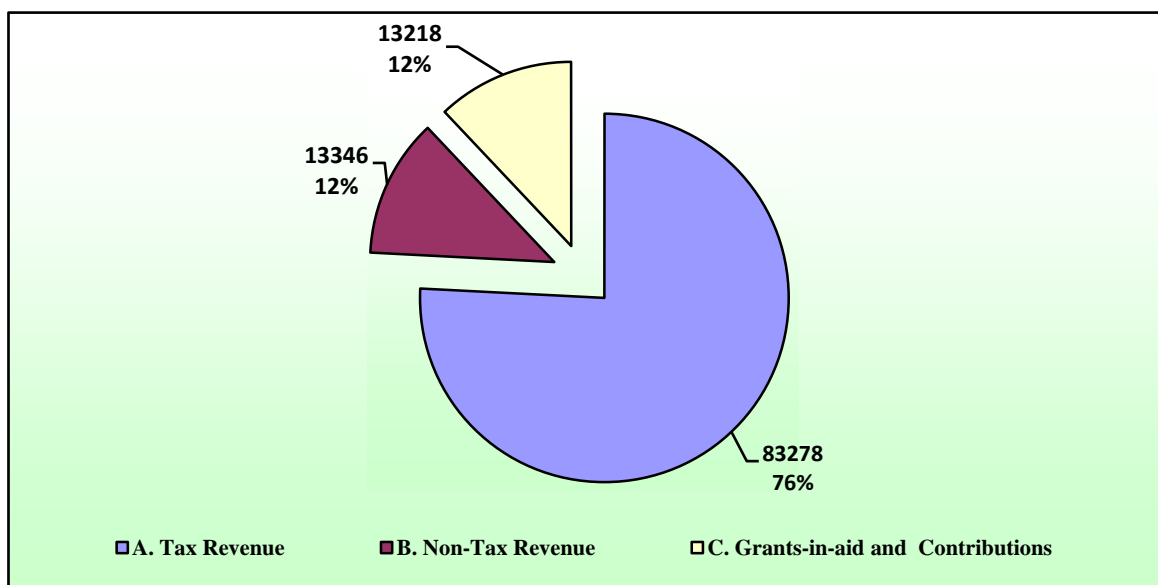
Non-Tax Revenue: Includes Interest receipts, dividends, profits etc.

Grants-in-aid: Essentially a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Governments and channelized through the Union Government. In turn, the State Government also gives grants-in-aid to institutions like the Panchayati Raj institutions, autonomous bodies etc.

Total Revenue Receipt for 2016-17 were ₹ 1,09,842 crore.

Revenue Receipt

(₹ in crore)



Revenue Receipt Components (2016-17)**(₹ in crore)**

Components	Actuals
A. Tax Revenue	83,278
Taxes on Income and Expenditure	10,465
Taxes on Property and Capital Transactions	8,055
Taxes on Commodities and Services	64758
B. Non-Tax Revenue	13,346
Interest Receipts, Dividends and Profits	2,690
General Services	601
Social Services	3,226
Economic Services	6,829
C. Grants-in-aid and Contributions	13,218
Total : Revenue Receipts	1,09,842

*2.2.1 Major contributors to Tax Revenue:-***(₹ in crore)**

Components	Actuals	Percentage to GSDP
Taxes on sales, Trade etc.	46,314	4.11
Corporation Tax	6,027	0.54
Taxes on Income other than Corporation Tax	4,189	0.37
Land Revenue	1,999	0.18
Service Tax	3,052	0.27
Union Excise Duties	2,961	0.26
Custom	2,593	0.23
Taxes on vehicles	3,213	0.29
Stamps and Registration Fees	5,783	0.51
Taxes and Duties on Electricity	5,833	0.52

During the year, Net Tax Revenue was less than Budget Estimates by ` 6,612 crore. The major variations are as under:-

(` in crore)

Where Actual Receipts was less than Budget Estimates		Where Actual Receipt was more than Budget Estimates	
Taxes on sales, Trade etc.	4,186	Corporation Tax	175
State Excise	3	Taxes on Income other than Corporation Tax	64
Custom	1,482	Service Tax	1,083
Taxes on vehicles	289	Union Excise Duties	661
Stamps and Registration Fees	767	Other Taxes and Duties on Commodities and Services	135
Taxes and Duties on Electricity	673		
Other Taxes on Income and Expenditure	35		
Land Revenue	666		
Taxes on Wealth	185		
Taxes on Immovable Property other than Agriculture Land	259		
Taxes on Goods and Passengers	185		

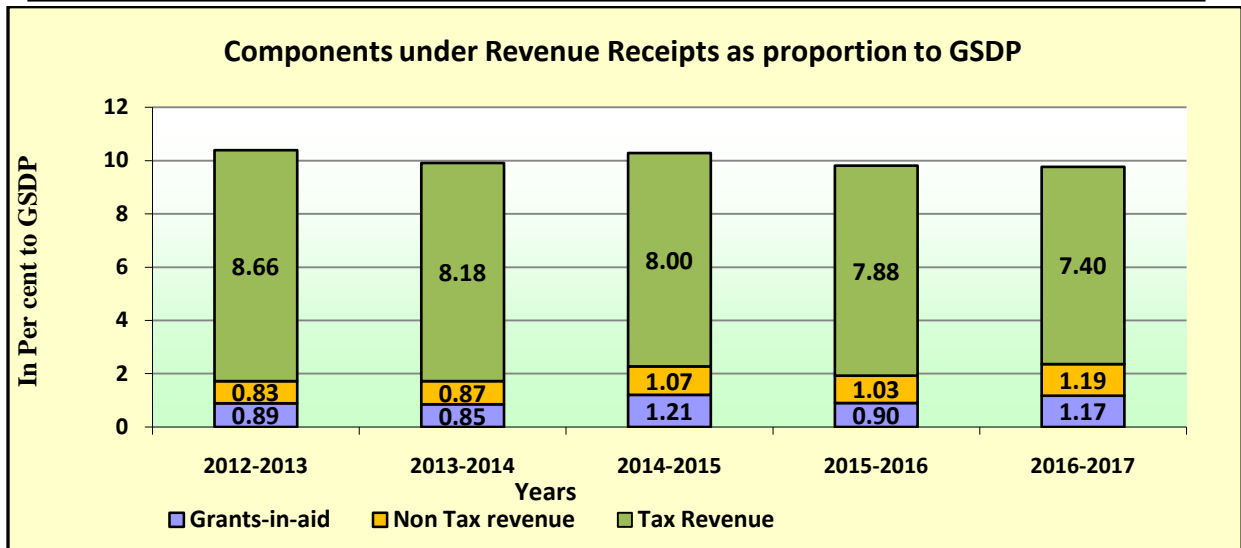
2.3 Trend of Receipts

(` in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Tax Revenues	62,766	66,075	71,636	78,340	83,278
Non-Tax Revenues	6,017	7,018	9,543	10,194	13,346
Grants-in-aid and Contributions	6,446	6,883	10,799	8,949	13,218
Total Revenue Receipts	75,229	79,976	91,978	97,483	1,09,842
GSDP	7,24,495	8,07,623	8,95,027 (P)	9,94,316 (Q)	11,25,654 (A)

Estimates: (P)= Provisional, (Q)= Quick and (A)= Advance.
(Source: Directorate of Economics and Statistics Gandhinagar.

Total Revenue Receipts grew by 13 per cent in 2016-17 over the previous year. While Tax Revenues increased by 6 per cent, Non-Tax Revenues also increased by 31 per cent. The Grants-in-aid from Government of India increased by 48 per cent from ₹ 8,949 crore in 2015-16 to ₹ 13,218 crore in 2016-17.

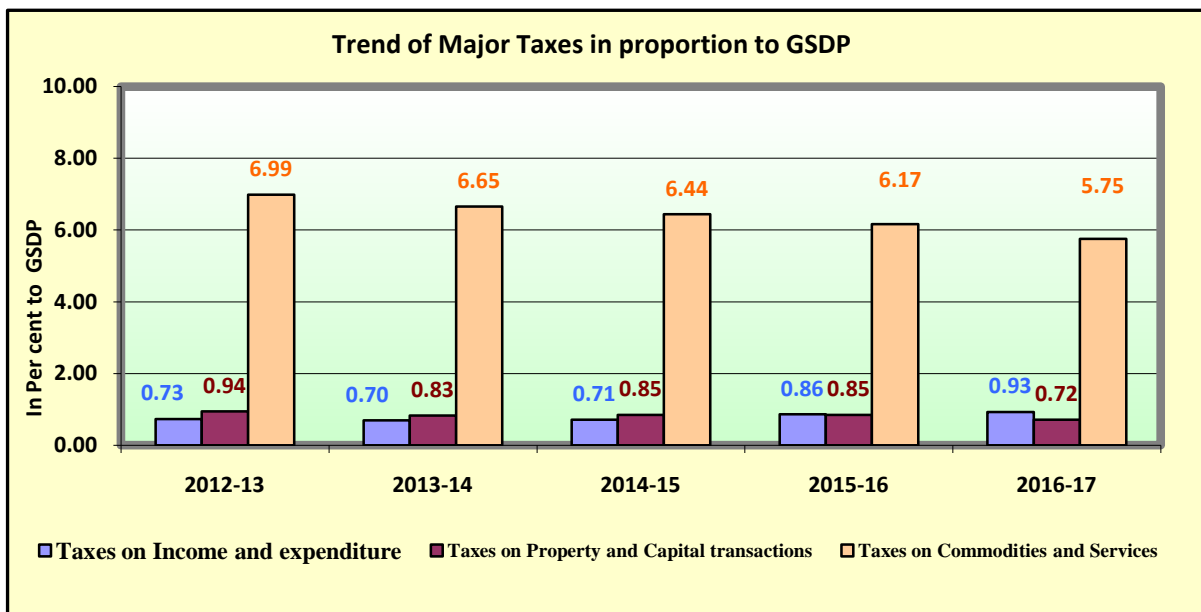


* Percentage for years from 2012-13 to 2015-16 changed due to revision in GSDP.

Sector-wise Tax Revenue

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Taxes on Income and Expenditure	5,311	5,634	6,394	8,593	10,465
Taxes on property and Capital Transactions	6,826	6,706	7,566	8,421	8,055
Taxes on Commodities and Services	50,629	53,735	57,676	61,326	64,758
Total Tax Revenue	62,766	66,075	71,636	78,340	83,278



* Percentage for years from 2012-13 to 2015-16 changed due to revision in GSDP.

2.4 Performance of State's own tax revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP *
2012-13	62,766	8,869	53,897	7.43
2013-14	66,075	9,702	56,373	6.98
2014-15	71,636	10,296	61,340	6.85
2015-16	78,340	15,690	62,650	6.30
2016-17	83,278	18,835	64,443	5.72

* Percentage for years from 2012-13 to 2015-16 changed due to revision in GSDP.

2.5 Efficiency of Tax collection**A. Taxes on Property and Capital Transactions**

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Collection	6,826	6,706	7,566	8,421	8,055
Expenditure on Collection	177	209	220	224	227
Efficiency of Tax collection (in per cent)	3	3	3	3	3

B. Taxes on Commodities and Services

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Collection	50,629	53,735	57,676	61,326	64,758
Expenditure on Collection	281	359	378	388	414
Efficiency of Tax collection (in per cent)	1	1	1	1	1

2.6 *Trend in State's share of Union Taxes over the past five years*

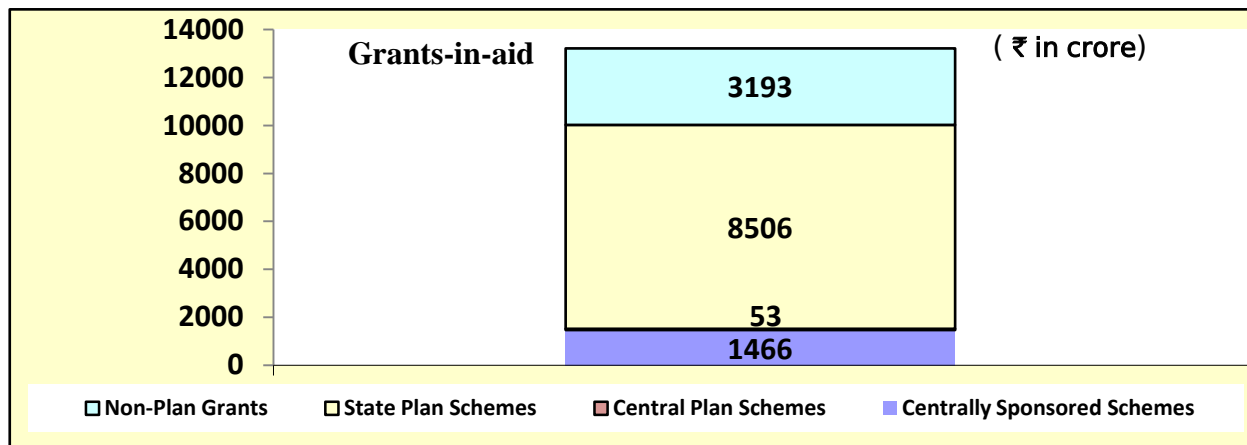
(₹ in crore)

Major Head Description	2012-13	2013-14	2014-15	2015-16	2016-17
Corporation Tax	3,192	3,263	3,595	4,929	6,027
Taxes on Income other than Corporation Tax	1,911	2,148	2,568	3,424	4,189
Taxes on Wealth	5	9	10	1	13
Customs	1,477	1,583	1,665	2,506	2,593
Union Excise Duties	1,003	1,118	940	2,087	2,961
Service Tax	1,298	1,581	1,518	2,732	3,052
Other Taxes on Income and Expenditure	(- 17*)	-	-	-	-
State share of Union taxes	8,869	9,702	10,296	15,690	18,835
Total Tax Revenue	62,766	66,075	71,636	78,340	83,278
Per cent of Union Taxes to Total Tax revenue	14	15	14	20	23

(*) Minus amount is due to adjustment of excess share assigned in previous years.

2.7 *Grants-in-aid*

Grants in Aid represents assistance received from Government of India and comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-Plan Grants recommended by the Finance Commission. Total receipts during 2016-17 under Grants-in-aid were ₹ 13,218 crore as shown in the table:



2.8 Public Debt

Trend of outstanding Public Debt over the past five years:

(₹ in crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt	1,28,065	1,41,700	1,55,981	1,73,681	1,92,772
Central Loans	8,302	7,806	7,470	7,062	6,566
Total Public Debt	1,36,367	1,49,506	1,63,451	1,80,743	1,99,338

Against the total internal debt of ₹ 27,477 crore received by the State Government in 2016-17 and the central loan of ₹ 191 crore received during the period, capital expenditure was ₹ 22,355 crore. This indicates that the total public debt (₹ 27,668 crore) raised during the year was not fully utilized for developmental purposes.

CHAPTER - III

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, Public Works, Pension, etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of Scheduled Castes & Scheduled Tribes etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, etc.

3.2 Revenue Expenditure

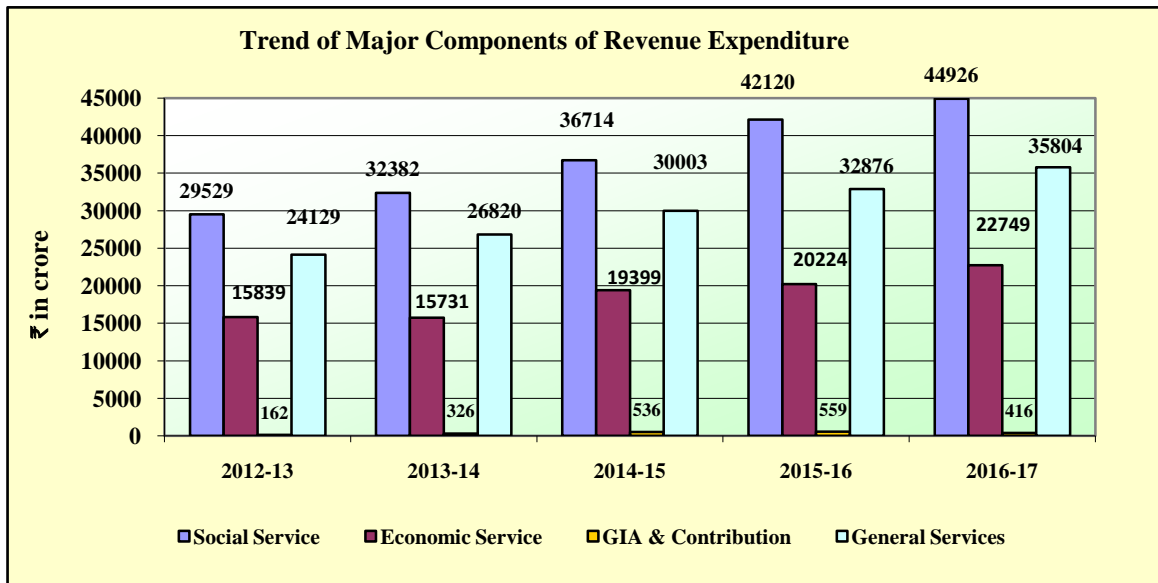
Revenue Expenditure of ₹ 1,03,895 crore for 2016-17 fell short of budget estimates by ₹ 12,598 crore. The shortfall of expenditure against Total budget estimates under Revenue Section during the past five years is given below:

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Total Budget Estimates	76,315	83,914	1,01,896	1,08,198	1,16,493
Actual	69,659	75,259	86,652	95,779	1,03,895
Gap	6,656	8,655	15,244	12,419	12,598
Per cent of gap over BE	8.72	10.31	14.96	11.48	10.81

3.2.1 Sectoral distribution of Net Revenue Expenditure (2016-17)**(₹ in crore)**

Components	Amount	Percentage
A .Fiscal Services	644	1
(i) Collection of Taxes on Property and Capital transactions	228	-
(ii) Collection of Taxes on Commodities and Services	414	-
(iii)Other Fiscal Services	2	-
B. Organs of State	897	1
C. Interest Payments and Servicing of debt	17,797	16
D. Administrative Services	5,120	5
E. Pensions and Miscellaneous General Services	11,346	11
F. Social Services	44,926	43
G. Economic Service	22,749	22
H. Grants-in-aid and Contributions	416	1
Total Expenditure (Revenue Account)	1,03,895	100

3.2.2. Major components of Revenue Expenditure (2012-2017)

General Services includes Major Head 2048 (Appropriation for reduction or avoidance of debt), Major Head 2049 (Interest payments) and excludes Major Head 3604 (Compensation and assignments to Local Bodies and Panchayati Raj Institutions).

There has been a steady increase in expenditure on all services.

3.3 Capital Expenditure

Capital disbursements for 2016-17 were 2 per cent of GSDP. It was less than Budget Estimates by ₹ 6,019 crore (less disbursement of ₹ 5,991 crore under Plan expenditure and less disbursement of ₹ 28 crore under Non-Plan Expenditure).

3.3.1 Sectoral distribution of Capital Expenditure

During 2016-17 the Government spent ₹ 7,360 crore on various projects (₹ 4,719 crore on Major Irrigation of which ₹ 3,995 crore was spent on Narmada Project, ₹ 1,971 crore on Medium Irrigation and ₹ 670 crore on Minor Irrigation). Apart from above, the Government spent ₹ 1,440 crore on Medical and Public Health, ₹ 2,503 crore on Water Supply and Sanitation and ₹ 2,685 crore on Power Projects.

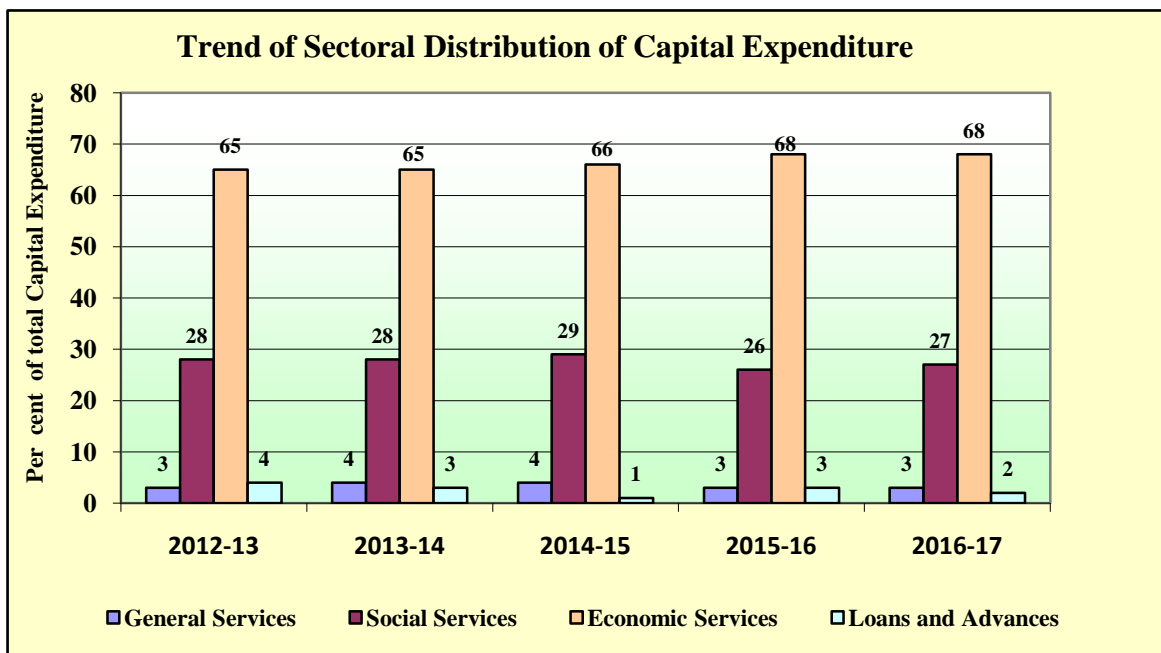
(₹ in crore)

Sl. No.	Sector	Amount	Per cent
1	General Services - Police, Land Revenue etc.	623	3
2	Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	6,215	27
3	Economic Services - Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries , Transport etc.	15,517	68
4	Loans and Advances Disbursed	478	2
Total		22,833	100

3.3.2 Sectoral distribution of capital expenditure over the past 5 years

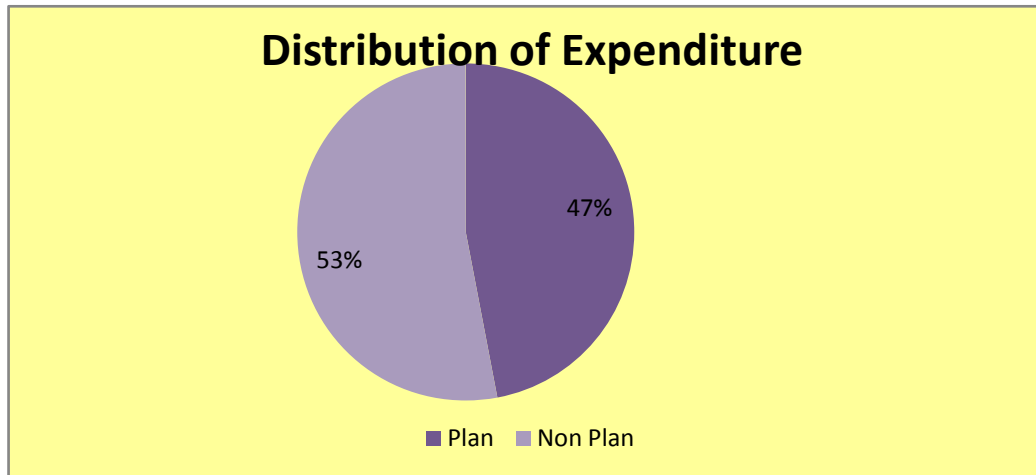
(₹ in crore)

Sr.No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17
1.	General Services	714	816	888	808	623
2.	Social Services	6,083	6,650	7,185	6,417	6,215
3.	Economic Services	14,430	15,211	16,084	16,944	15,517
4.	Loans and Advances	882	603	350	675	478
Total		22,109	23,280	24,507	24,844	22,833

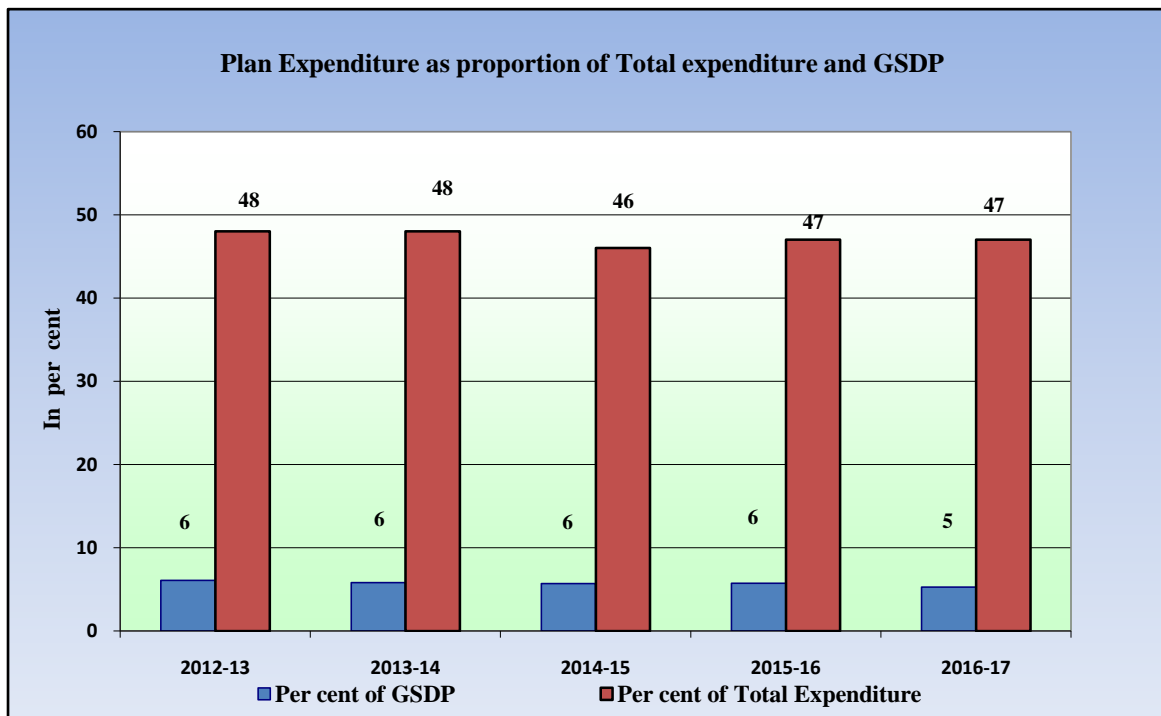


CHAPTER - IV

PLAN & NON PLAN EXPENDITURE

4.1 *Distribution of expenditure (2016-17)*4.2 *Plan expenditure*

During 2016-17 Plan expenditure representing 47 per cent of total disbursements was ₹ 59,427 crore (₹ 42,179 crore under State Plan, ₹ 16,833 crore under Centrally Sponsored Schemes and ₹ 415 crore under Loans and Advances).



* Percentage for the year 2012-13 changed due to revision in GSDP.

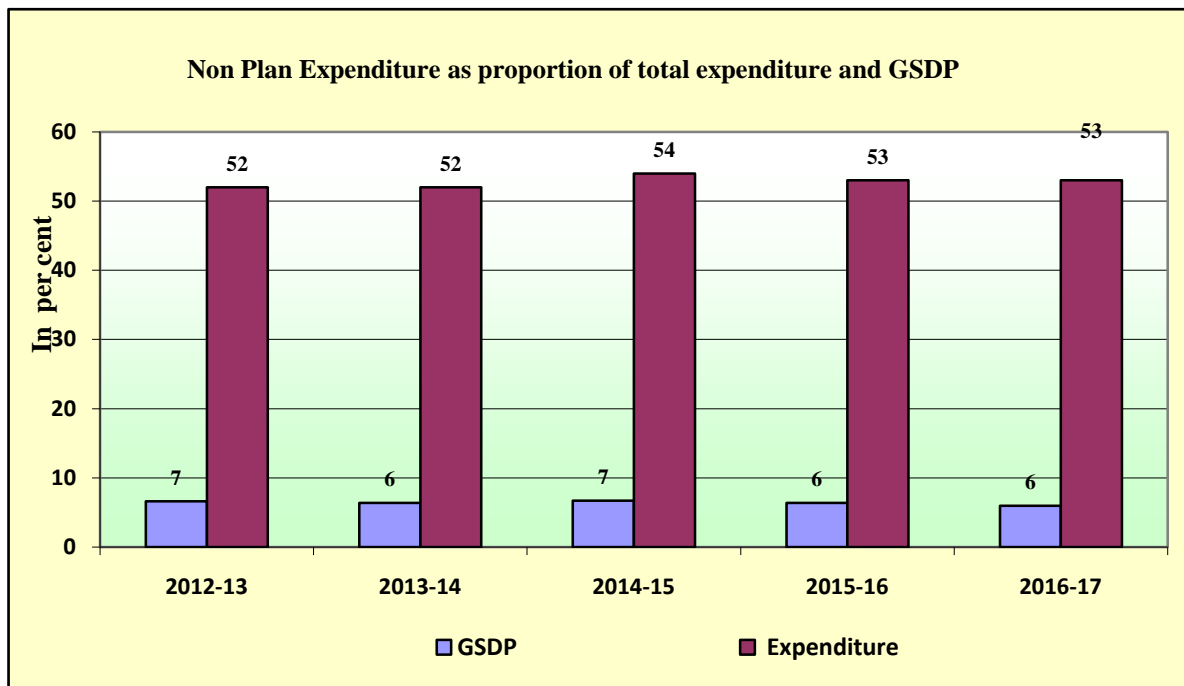
4.2.1 Plan expenditure under Capital Account

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Total Capital Expenditure	22,109	23,280	24,507	24,844	22,833
Capital Expenditure (Plan)	21,447	23,061	24,375	24,712	22,717
Per Cent of Capital Expenditure (plan) to Total Expenditure	97	99	99	99	99

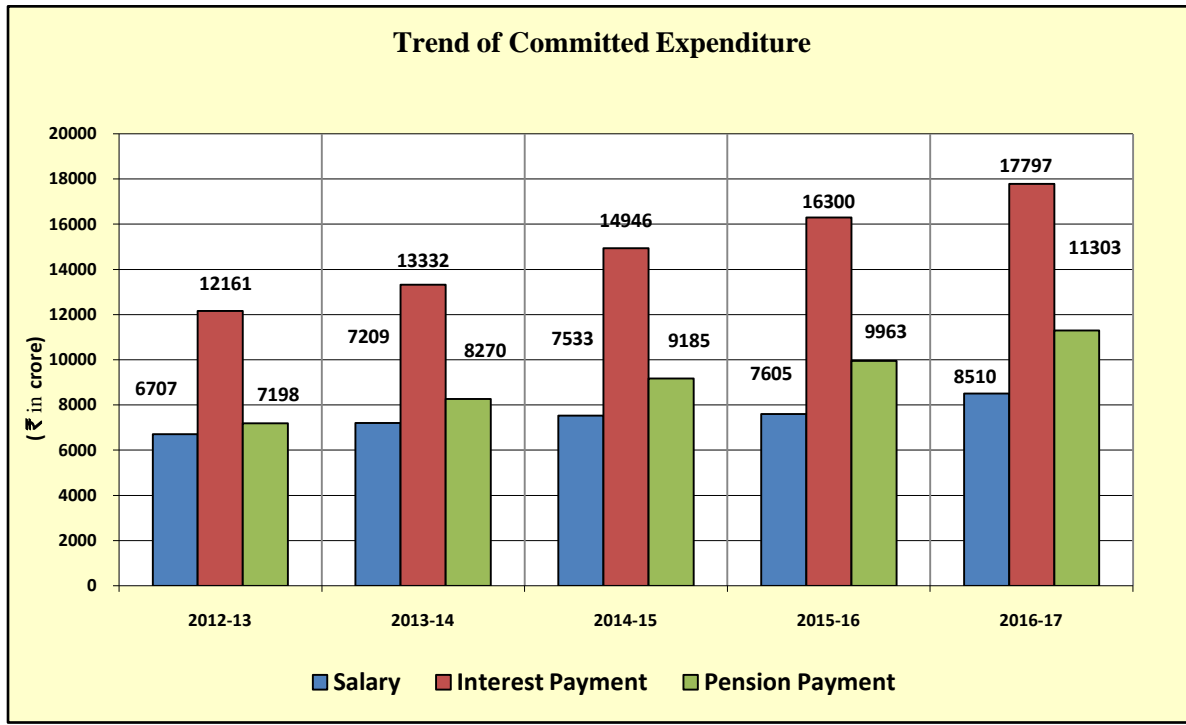
4.3 Non-Plan expenditure

During 2016-17 Non-Plan expenditure representing 53 per cent of total disbursements was ₹ 67,301 crore (₹ 67,185 crore under Revenue and ₹ 116 crore under Capital).



* Percentage for the year 2013-14 changed due to revision in GSDP.

4.4 Committed expenditure



(₹ in crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Committed Expenditure	26,066	28,811	31,664	33,868	37,610
Revenue Expenditure	69,659	75,259	86,652	95,779	1,03,895
Per cent of committed Expenditure to Revenue Receipts	35	36	34	35	34
Per cent of Committed Expenditure to Revenue Expenditure	37	38	37	35	36

CHAPTER - V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2016-17

(₹ in crore)

	Nature of Expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Expenditure	Saving (-) Excess (+)
Voted	I- Revenue	97,131.19	2,550.16	99,681.35	86,538.82	(-) 13142.54
	II- Capital	27,256.91	651.39	27,908.30	22,638.20	(-) 5,270.10
	III- Loans and Advances	1,105.50	0.58	1,106.08	477.57	(-) 628.51
Total Voted		1,25,493.60	3,202.13	1,28,695.73	1,09,654.59	(-) 19,041.14
Charged	IV- Revenue	17678.96	484.17	18,163.13	17,990.74	(-) 172.39
	V- Capital	57.60	0.45	58.05	46.89	(-) 11.16
	VI- Public Debt- Repayment	8621.76	4812.37	13,434.13	9073.17	(-) 4360.96
	VII- Loans and Advances	0.01	-	0.01	-	(-) 0.01
Total Charged		26,358.33	5,296.99	31,655.32	27,110.80	(-) 4,544.52
Grand Total		1,51,851.93	8,499.12	1,60,351.05	1,36,765.39	(-) 23,585.66

5.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2012-13	(-) 7,048	(-) 989	(-) 1	(-) 251	(-) 8,289
2013-14	(-) 8,942	(-) 3,469	(-) 14	(-) 318	(-) 12,743
2014-15	(-) 15,336	(-) 5,882	(-) 3	(-) 393	(-) 21,614
2015-16	(-) 12,294	(-) 5,308	(+) 267	(-) 56	(-) 17,391
2016-17	(-) 13,315	(-) 5,281	(-) 4,361	(-) 629	(-) 23,586

5.3 Significant Savings

Substantial Savings under a grant indicate either non-implementation or slow implementation of certain schemes / programmes. This also indicates weak budgetary control. Some grants with persistent and significant savings are given below:

(Per cent)

Sr. No.	Grant No.	Nomenclature	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
1	19	Other Expenditure pertaining to Finance Department	98.58	98.75	98.52	86.33	99.11
2	76	Revenue Department	38.56	41.61	43.48	35.41	32.99
3	77	Tax Collection Charges (Revenue Department)	43.48	39.69	45.33	30.76	22.57
4	78	District Administration	20.38	35.27	22.95	19.40	12.96
5	84	Non-Residential Buildings	17.61	30.84	33.76	29.01	44.63
6	85	Residential Buildings	38.23	46.90	22.03	25.49	17.42

During 2016-17, Supplementary Grants totaling ₹ 8,499.12 crore (6.21 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. Few instances are given below:

(₹ in crore)

Gr. No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
18	Pension and other Retirement Benefits	Revenue	8,063.30	30.00	6946.44
26	Forests	Revenue	484.21	2.32	399.41
33	General Administration Department	Revenue	101.15	1.91	90.54
39	Medical and Public Health	Revenue	4528.28	164.09	4431.88
43	Police	Revenue	3599.5	41.89	3496.19
44	Jails	Revenue	114.92	2.68	108.74
64	Narmada, Water Resources, Water Supply and Kalpsar Department	Revenue	16.85	1.29	13.85

Gr. No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
65	Narmada Development Scheme	Capital	3918	536.73	3860.47
67	Water Supply	Capital	1917.17	27.95	1913.06
70	Community Development	Revenue	2441.14	89.12	1857.12
75	Other expenditure pertaining to Ports and Transport Department	Revenue	89.93	1.79	66.99
77	Tax collection charges (Revenue Department)	Revenue	288.83	15.44	235.60
84	Non-Residential Buildings	Revenue	618.09	1.26	606.62
85	Residential Buildings	Revenue	172.11	18.05	162.85
88	Other expenditure pertaining to Roads and Buildings Department	Revenue	45.93	3.00	41.45
93	Welfare of Scheduled Tribes	Revenue	319.48	1.66	306.18
95	Scheduled Castes Sub-Plan	Revenue	3325.35	11.98	2871.15
96	Tribal Area Sub-Plan	Revenue	7004.02	70.93	6514.28
102	Urban Development	Revenue	8338.95	18.42	8007.11

CHAPTER – VI

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc, except in the year of acquisition/purchase. Similarly, while the accounts present the impact of liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in Statutory Corporations, Govt. Companies, Rural Banks, Joint Stock Companies, Co-operatives and Public Sector Undertakings (PSUs) stood at ₹ 77,833 crore at the end of 2016-17. However, return on investment received during the year were ₹ 110 crore (i.e. 0.14 per cent) on investment. During 2016-17 investments increased by ₹ 7,103 crore while dividend income increased by ₹ 14 crore.

General cash balances stood at ₹ (-) 594 crore on 31 March 2016 and increase to ₹ (-) 467 crore at the end of March 2017.

6.2 Debt and Liabilities

Details of the Public Debt, Public Account and Total liabilities of the State Government are as under:

(₹ in crore)

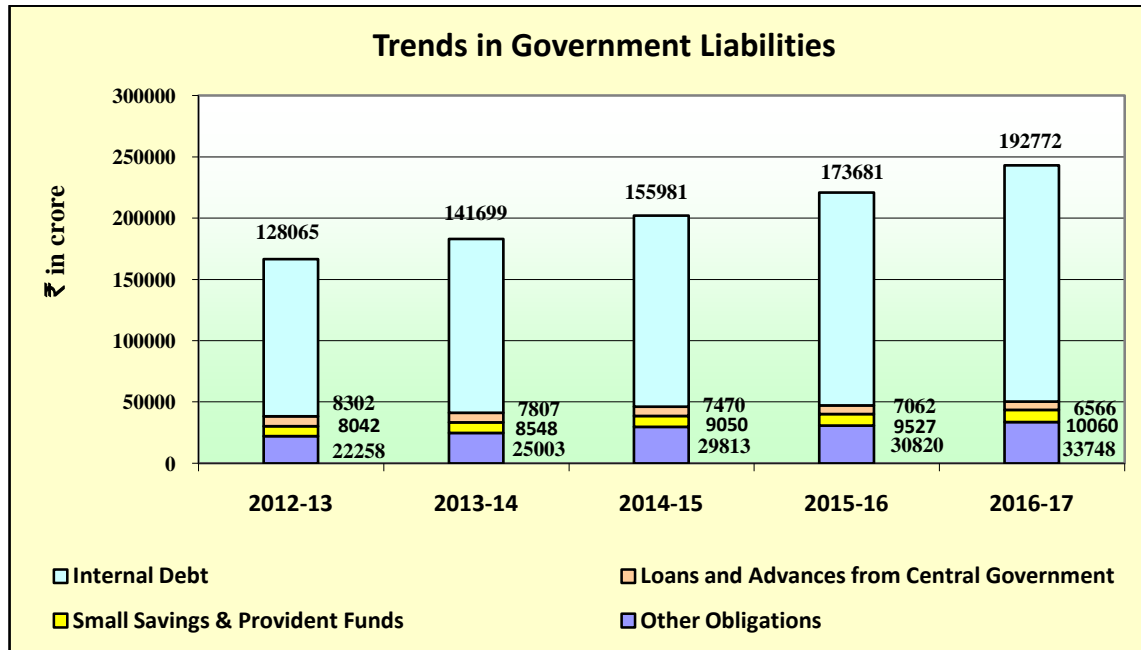
Year	Public Debt	Per cent of GSDP	Public Account (*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2012-13	1,36,367	19	30,300	4	1,66,667	23
2013-14	1,49,506	19	33,551	4	1,83,057	23
2014-15	1,63,451	18	38,862	4	2,02,313	23
2015-16	1,80,743	18	40,347	4	2,21,090	22
2016-17	1,99,338	18	43,807	4	2,43,145	22

Note: figures are progressive balances to end of the year.

(*) Excludes Suspense and Remittance balances

@ Percentage for years from 2012-13 to 2015-16 changed due to revision in GSDP.

There is a net increase of ₹ 18,595 crore (10 per cent) in Public Debt and Other Liabilities as compared to 2015-16.



6.3 Guarantees

The position of guarantees given by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies etc. is given as under:

(₹ in crore)

At the end of the year	Maximum amount Guaranteed (Principal only)	Amount outstanding as on 31 March 2017 (Principal only)
2012-13	10,525	6,195
2013-14	11,175	6,549
2014-15	11,235	5,984
2015-16	11,333	5,236
2016-17	11,333	4,804

CHAPTER – VII

OTHER ITEMS

7.1 *Loans and Advances by the State Government*

Total Loans and Advances given by the State Government outstanding at the end of 2016-17 was ₹ 7,638 crore. During the year 2016-17, the State Government had paid loans and advances amounting to ₹ 478 crore and recovered outstanding loans amounting to ₹ 166 crore.

7.2 *Financial Assistance to local bodies and others*

During the past five years, Grants-in-aid to local bodies etc., increased from ₹ 32,618 crore in 2012-13 to ₹ 49,551 crore in 2016-17. Grants to Zila Parishads, Panchayat Samitis and Municipalities (₹ 23,618 crore) represented 48 *per cent* of total grants given during the year.

The Details of Grants in aid released in last 5 years are as under:-

(₹ in crore)

Year	Zila Parishads	Municipalities and Municipal Corporations	Gram Panchayats and Panchayat Samitis	Others	Total
2012-13	13,764	3,005	700	15,149	32,618
2013-14	15,889	4,025	1,406	16,982	38,302
2014-15	12,884	6,328	5,276	16,832	41,320
2015-16	15,378	7,822	7,611	15,967	46,778
2016-17	2,580	7,468	13,570	25,933	49,551

7.3 *Cash Balance and Investment of Cash Balance*

(₹ in crore)

Component	As on 1 April 2016	As on 31 March 2017	Net Increase (+)/ Decrease (-)
Cash Balances	(-) 594	(-) 467	(+) 127
Investments from Cash Balances (GOI Treasury bills)	8,946	12,750	(+) 3,804
Investments from earmarked balances:	10,208	10,966	(+) 758
(i) Sinking Fund	9,845	10,586	(+) 741
(ii) Other Funds	363	380	(-) 17
Interest realised on investment of cash balances	585	510	(-) 75

7.4 Reconciliation of Accounts

Timely Reconciliation of Accounts (figures of Accountant General with that of Government) ensures accuracy and reliability of accounts. Such reconciliation has been completed for ₹ 1,07,053 crore (77.62 per cent) in respect of receipts and for a value of ₹ 1,16,786 crore (86 per cent) of expenditure.

7.5 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

The Controlling and Disbursing Officers are authorized to draw sums of money by presenting Abstract Contingent Bill by debiting Service Heads. They are required to present Detailed Contingent Bills (vouchers in support of final expenditure) to the Accountant General (A&E) within three months from the date of drawal of the Abstract Contingent Bills as per Rule 211 of Gujarat Treasury Rules, 2000. At the end of 31 March 2017, 8,442 Abstract Contingent Bills amounting to ₹ 495 crore were outstanding.

7.6 Utilization Certificate in respect of Grants-in-aid given by the Government

In terms of the Gujarat Financial Rules, 1971 and Finance Department's Notification dated 12 April 1985, Controlling Officers who drew Grants-in-aid bills are required to submit Utilization Certificate (UCs) to the Accountant General (A&E) within twelve months after the end of financial year in which the grant is paid. At the end of 2016-17, 6,923 UCs valued at ₹ 12,274 crore were outstanding.

7.7 Commitments of accounts of incomplete works

A total expenditure of ₹ 6,060 crore was incurred up to 31 March 2017 by the State Government on various incomplete projects costing ₹ 10 crore or more taken up by the Roads and Buildings Department and the Narmada, Water Resources, Water Supply and Kalpsar Department.

7.8 Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain heads of account during March 2017 ranged between 50 per cent and 100 per cent of the expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2016-17 in the above mentioned heads was as given in the table:-

Major Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March.	Percentage of March 2017 with reference to total expenditure of 2016-17
		(₹ in crore)						
4075	Capital Outlay on Miscellaneous General Services	0	0	0	2	2	2	100
4425	Capital Outlay on Co-operation	0	0	0	18	18	18	100
4860	Capital Outlay on Consumer Industries	0	0	0	2	2	2	100
4853	Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	0	0	0	1	1	1	100
4058	Capital Outlay on Stationery and Printing	0	0	0	1	1	1	100
5051	Capital Outlay on Ports and Light Houses	0	0	0	31	32	31	97
3604	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	16	16	27	356	415	346	83
5055	Capital Outlay on Road Transport	0	0	125	406	531	406	76
2245	Relief on account of Natural Calamities	62	153	26	761	1002	751	75
3452	Tourism	1	24	1	65	92	64	70
4250	Capital Outlay on other Social Services	54	0	29	185	267	166	62
4055	Capital Outlay on Police	26	10	43	139	218	131	60
2075	Miscellaneous General Services	0	13	8	29	50	29	58
3055	Road Transport	76	0	54	174	304	174	57
4435	Capital Outlay on other Agricultural Programmes	1	1	10	36	48	26	54
4575	Capital Outlay on other Special Areas Programmes	2	1	4	29	37	19	51
4851	Capital Outlay on Village and Small Industries	0	0	1	1	2	1	50
4235	Capital Outlay on Social Security and Welfare	0	0	0	2	3	1	33

www.agguj.cag.gov.in

Processed & Printed at Government Photo Litho Press, Ahmedabad